

1.42
755F
NOV 26 1938

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U. S. DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Tobacco Section

PROCEDURE FOR THE DETERMINATION OF FIRE-CURED AND DARK AIR-CURED
TOBACCO FARM MARKETING QUOTAS FOR 1938

PART I - GENERAL

Section 1. Definitions. -- As used in this procedure and in all instructions, forms, and documents in connection therewith, the words and phrases defined in this section shall have the meanings herein assigned to them, unless the context or subject-matter otherwise requires:

(a) ACT means the Agricultural Adjustment Act of 1938 and any amendments thereto.

(b) BASE 1938 PRODUCTION means the number of pounds obtained by multiplying the farm yields by 150 percent of the 1938 tobacco acreage.

(c) FIRE-CURED and DARK AIR-CURED TOBACCO means tobacco classified in Service and Regulatory Announcement Numbered 118 of the Bureau of Agricultural Economics of the United States Department of Agriculture, as types 21, 22, 23, 24, 35, 36, and 37.

(d) DARK TOBACCO QUOTA PROCEDURE means this Form 38-Tobacco-38, "Procedure for the Determination of Fire-Cured and Dark Air-Cured Tobacco Farm Marketing Quotas for 1938".

(e) CROPLAND means farm land tilled annually or in regular rotation, excluding commercial orchards.

(f) FARM means all adjacent or nearby farm land under the same ownership which is operated by one person, including also:

(i) Any other adjacent or nearby farm land operated by the same person (as part of the same unit with respect to the rotation of crops and with workstock, farm machinery, and labor substantially separate from that for any other land) the inclusion of which is requested or agreed to, within the time and in the manner specified by the Agricultural Adjustment Administration, by the operator and all the owners who are entitled to share in the proceeds of the crop on any of the land to be included in the farm, which request and agreement shall be applicable to the designation of the land included in such farm both under the 1938 Agricultural Conservation Program and under the Dark Tobacco Quota Procedure;

(ii) Any field-rented tract (whether operated by the same or another person) which, together with any other land included in the farm, constitutes a unit with respect to the rotation of crops; Provided, That land not under the same ownership shall be included in the same farm

only if the county committee determines that all of such land is customarily regarded in the community as constituting one farm. A farm shall be regarded as located in the county or the local administrative area within the county, as the case may be, in which the principal dwelling is situated, or if there is no dwelling thereon, it shall be regarded as located in the county or local administrative area, as the case may be, in which the major portion of the farm is located.

(g) FARM MARKETING QUOTA means a fire-cured and dark air-cured tobacco marketing quota established for a farm under section 313 of the Agricultural Adjustment Act of 1938.

(h) FARM WORKER means a person over fourteen years of age regularly engaged in farm work on the farm.

(i) LOCAL COMMITTEE means the county and community committee utilized under the Act. "County Committee" or "Community Committee" shall have corresponding meanings in the connection in which they are used.

(j) NEW FARM means a farm on which tobacco is produced in the year 1938 and on which tobacco was not produced in any of the years 1934, 1935, 1936, and 1937.

(k) NEW FARM RESERVE means that amount of the national marketing quota of 145,000,000 pounds apportioned by the Secretary of Agriculture, pursuant to section 313(c) of the Act, for allotment of marketing quotas to new farms.

(l) OLD FARM means a farm on which tobacco is produced in the year 1938 and on which tobacco was also produced in one or more of the years 1934, 1935, 1936, and 1937.

(m) OPERATOR means the person who, as owner, landlord, or tenant, is in charge of the supervision and the conduct of the farming operations on the entire farm.

(n) PERSON means an individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or any agency of a State or of the Federal Government. The term "person" shall include two or more persons having a joint or common interest.

(o) STATE COMMITTEE means the group of persons designated within any State to assist in the administration in the State of the Act.

(p) STATE QUOTA or STATE MARKETING QUOTA means that amount of the national marketing quota of 145,000,000 pounds apportioned by the Secretary of Agriculture, pursuant to section 313(a) of the Act, for allotment of marketing quotas to old farms in the States; and does not include the 2 percent addition thereto pursuant to section 313(f) of the Act.

(q) THREE YEAR AVERAGE means the average tobacco production and diversion for the farm during the years 1935, 1936, and 1937.

(r) TOBACCO means fire-cured and dark air-cured tobacco.

(s) DARK TOBACCO means fire-cured and dark air-cured tobacco.

Sec. 2. Gender and Number of Terms. -- Any term used in the masculine gender or in the singular number shall also be construed or applied in the feminine or neuter gender, or in the plural person, wherever the context or application of such term so requires.

Sec. 3. Extent of Calculations and Rule of Fractions. (a) All percentages shall be calculated to the nearest whole percent. Fractions of more than five-tenths of one percent shall be rounded upward, and fractions of five-tenths of one percent or less shall be dropped. (b) All acreages shall be calculated to the nearest one-tenth of an acre. Fractions of more than five-hundredths of an acre shall be rounded upward, and fractions of five-hundredths of an acre or less shall be dropped. (c) Yields per acre, three-year averages, and marketing figures resulting from multiplication of acreage by farm yield shall be calculated to the nearest ten pounds. Between intervals of ten, amounts of more than five pounds shall be rounded upward, and amounts of five pounds or less shall be dropped.

Sec. 4. Instructions and Forms. -- The Administrator of the Agricultural Adjustment Administration of the United States Department of Agriculture shall cause to be prepared and issued with his approval such instructions and such forms as may be necessary or expedient for carrying out this procedure for determining farm quotas.

Sec. 5. Applicability of Procedure. This Dark Tobacco Quota Procedure shall relate to and be effective for, the establishment of farm marketing quotas for fire-cured and dark air-cured tobacco for the marketing year beginning with the first day of October, 1938, and ending with the 30th day of September, 1939.

PART II - ESTABLISHMENT OF QUOTAS FOR OLD FARMS

Section 1. Determination of Normal Marketings for Old Farms. The normal marketings for an old farm will be the normal past marketings computed pursuant to section 2 below, adjusted, if necessary, pursuant to section 3 below; provided, that the normal marketings shall in no event exceed the base 1938 production for the farm.

Sec. 2. Determination of Normal Past Marketings. (a) The normal past marketings for an old farm on which tobacco was produced in one of the three years 1935-37, shall be whichever of items (i), (ii), (iii) or (iv) below is the highest for the farm, plus any addition thereto which may be made pursuant to subsection (c) below.

(i) The three-year averages;

(ii) $33\frac{1}{3}\%$ of the total harvested and diverted tobacco acreage in the three years, 1935-37, multiplied by the farm yield;

(iii) 40% of the total harvested and diverted tobacco acreage in the two years of the three years, 1935-37, in which such acreage was the highest, multiplied by the farm yield;

(iv) 60% of the harvested and diverted tobacco acreage in that one of the three years, 1935-37, in which such acreage was the highest, multiplied by the farm yield.

(b) The normal past marketings for an old farm on which tobacco was produced in 1934, but was not produced in any of the three years 1935-37, shall be 50% of the harvested and diverted tobacco acreage for the farm for the year 1934, multiplied by the farm yield plus any addition thereto which may be made pursuant to subsection (c) below.

(c) The amount determined for the farm, pursuant to subsection (a) or (b) above, shall be increased, if, because of drought, flood, hail, other abnormal weather conditions, plant bed and other diseases, such amount is substantially less than the amount which otherwise would be determined for the farm. The increase shall be in such an amount as the local and State committees find will cause the normal past marketing for the farm to equal the amount which would have been determined for the farm pursuant to subsection (a) or (b) above in the absence of such abnormal conditions of production.

Sec. 3. Adjustment of Normal Past Marketings for Production Capacity. (a) The normal past marketings determined for any farm shall be increased if the capacity of the farm for the production of tobacco as indicated by the land (taking into account the crop-rotation practices customarily carried out on the farm), labor, and equipment available for the production of tobacco on the farm in 1938, is substantially greater than the tobacco production capacity of other farms in the county having similar normal past marketings, and shall be decreased if the farm's capacity for tobacco production is substantially less than that of other farms in the county having similar normal past marketings.

(b) Any increase or decrease in the normal past marketings of a farm, pursuant to subsection (a) above, shall be in such amount as the local committee finds will cause the normal marketings for the farm (i.e., normal past marketings, as adjusted pursuant to this subsection) to reflect adequately the difference in the capacity of the farm for the production of tobacco as compared with the tobacco production capacity of other farms in the county having similar normal past marketings; provided, that --

(i) the amount of increase shall not exceed 25 percent of the normal past marketings;

(ii) the amount of decrease shall not exceed the smaller of (A) 25 percent of the normal past marketings, or (B) the amount by which the normal

past marketings exceeds the smallest of the three-year average, 2400 pounds, or 85 percent of the base 1938 production; and

- (iii) the sum of the increases for all farms in a county shall not exceed the sum of the decreases for all farms in the county.

(c) In appraising the land (taking into account the crop-rotation practices customarily carried out on the farm), labor, and equipment available for the production of tobacco for the purpose of determining the capacity of a farm for the production of tobacco, the local committee shall proceed in the following manner:

(i) Land. -- The land available for the production of tobacco on the farm shall be determined by taking into consideration the total acreage of cropland in the farm, the crop-rotation practices customarily carried out on the farm, the 1938 acreage of tobacco on the farm, and the acreage of other soil-depleting crops normally grown on the farm.

(ii) Labor. -- The labor available for the production of tobacco on the farm in 1938 shall be determined by taking into consideration the number of farm workers, whether such workers had prior experience in growing tobacco, and the extent to which they are required for work on the farm other than in connection with the production of tobacco.

(iii) Equipment. -- Equipment available for the production of tobacco on the farm shall be determined by taking into consideration the acreage capacity of the tobacco-curing space available for the farm in 1938. Curing space shall include the total space available for curing tobacco in tobacco curing barns or in sheds, rooms, barn lofts, or other spaces suitable for curing tobacco, which are located on the farm and are in condition and available for the curing of tobacco for the farm in 1938. Curing space shall also include that part of a tobacco curing barn which is in condition for curing use in 1938 but is located on a different farm which is owned or operated by the same operator, and which is customarily used for curing tobacco grown on the farm; but in considering any such barn allowance shall be made for the fact that such barn serves more than one farm, and the capacity allowed for any farm shall not exceed the proportionate use of such barn by the farm, and the capacity for all farms shall not exceed the total capacity of such barn.

Sec. 4. Determination of Farm Yield, Marketings, Harvested Acreage, Diverted Acreage and Diversion.

(a) Farm Yield. The farm yield shall be the average yield per acre for the farm computed pursuant to paragraph (i), (ii), (iii) or (iv) below, adjusted, if necessary, pursuant to paragraph (v) below.

(i) If tobacco was produced on the farm in each of the three years, 1935-37, the average yield per acre shall be the simple average of

the tobacco yields per acre for the farm for each of such years. The tobacco yield per acre for a farm for any year shall be computed by dividing the harvested acreage into the marketings for such year.

(ii) If tobacco was produced on the farm in two of the three years, 1935-37, the average yield per acre shall be the number of pounds obtained by multiplying the simple average of the tobacco yields per acre for the farm for each of such two years by that percentage which the county average tobacco yield for the three years, 1935-37, is of the county average yield for the two years in which tobacco was produced on the farm.

(iii) If tobacco was produced on the farm in only one of the three years, 1935-37, the average yield per acre shall be the number of pounds obtained by multiplying the tobacco yield per acre for such year by that percentage which the county average yield for the three years, 1935-37, is of the county average yield for the year in which tobacco was produced on the farm.

(iv) If tobacco was produced on the farm in 1934, but not in any of the three years, 1935-37, the average yield per acre shall be the county average yield for the three years 1935-37.

(v) The local committee shall adjust the average yield per acre for any farm if it determines that such average yield is substantially lower or higher than a yield which reasonably could be expected from the farm. In making its determination the committee shall take into consideration the average yields per acre for other farms in the county which are similar with respect to type of soil, topography and production facilities and the effect of flood, drought, hail, other abnormal weather conditions, fire, plant-bed, and other diseases upon the extent of marketing of tobacco from the farm during any of the years used in computing the average yield per acre for the farm. Any adjustment pursuant to this paragraph shall be such as will result in a farm yield which the committee finds, upon consideration of such factors, could reasonably be expected to be obtained from the farm; provided, that in no event shall the weighted farm yields for all farms in the county exceed the weighted average yield per acre for all farms in the county. The weighted farm yield and the weighted average yield per acre for old farms on which tobacco was produced in one or more of the three years, 1935-37, shall be computed by multiplying the farm yield and the average yield per acre for the farm, respectively, by whichever of the following is the highest for the farm:

- A. $33\frac{1}{3}$ percent of the total harvested and diverted tobacco acreage in the three years 1935-37.
- B. 40 percent of the total harvested and diverted tobacco acreage in the two of the three years 1935-37 in which such acreage was the highest, or
- C. 60 percent of the harvested and diverted tobacco acreage in that one of the three years, 1935-37, in which such acreage was the highest.

The weighted farm yield and the weighted average yield per acre for old farms on which tobacco was produced in 1934 but not in any of the three years, 1935-37, shall be computed by multiplying the farm yield and the average yield per acre for the farm, respectively, by 50 percent of the harvested and diverted acreage of tobacco for the farm for the year 1934.

(b) Marketings. -- The marketings for any year shall be the number of pounds of tobacco marketed from the farm during such year. The total marketings for any year for all farms in a county shall not exceed the total number of pounds of tobacco produced in the county in such year. The marketings for any year, as reported by the operator, shall be adjusted by the local committee if it determines that the amount of such marketings as shown by the records submitted by the operator, or as estimated by him, is larger than the amount of tobacco which reasonably could have been marketed from the farm in such year. In making its determination, the committee shall take into consideration the acreage planted to tobacco on the farm in such year, the yields obtained in such year on other farms in the same community which are similar with respect to soil, topography, and production facilities, the community average yield for such year, and the yield on the farm in years for which records acceptable to the committee are available. The adjusted marketings for any year shall be the amount of tobacco which the committee finds, upon consideration of such factors, could reasonably have been marketed from the farm in such year.

(c) Harvested Acreage. -- The harvested acreage for any year shall be the number of acres actually harvested on the farm. If the county records do not show the harvested acreage for any year, the acreage reported by the operator as having been harvested in such year shall be adjusted if the local committee determines that such reported acreage is larger than the number of acres which could reasonably have been grown in such year. In making its determination, the committee shall take into consideration the curing space available, the cropland, the acres of other crops grown on the farm and the labor on the farm in such year. The adjusted harvested acreage for any year shall be an acreage which the committee finds, upon consideration of such factors, could reasonably have been grown on the farm in such year.

(d) Diverted Acreage. -- The diverted acreage for any year will be the base acreage determined for the farm in connection with the agricultural adjustment or conservation program for such year, minus the harvested acreage for such year; provided, that (i) the diverted acreage for 1935 shall not exceed 20 percent of the base acreage for such year, (ii) the diverted acreage for 1936 or 1937 shall not exceed 30 percent of the base acreage for such year, and (iii) the diverted acreage for 1934 shall not exceed 25 percent of the base acreage for such year.

(e) Diversion. -- Diversion for any year shall be the number of pounds obtained by multiplying the diverted acreage for such year by the farm yield.

(f) Subdivided Farm. -- If land operated as a single farm in 1934, 1935, 1936, or 1937 has been subdivided into two or more tracts, the base

acreage, harvested acreage, and marketings of tobacco for the farm for such year shall be apportioned among the tracts in the proportion which the acres of cropland suitable for the production of tobacco on each such tract in such year bore to the total number of acres of cropland suitable for the production of tobacco on the entire farm in such year; provided, that if the local committee finds that such apportionment would not be equitable in view of the subsequent production on the farms which include such tracts, it shall make such other apportionment as it determines to be fair and equitable.

Sec. 5. Allotment of State Marketing Quota. -- Marketing Quotas for Old Farms. -- The State marketing quota will be allotted, and marketing quotas for old farms will be established, as follows:

(a) An amount will be reserved from the State marketing quota for the purpose of making adjustments as provided in subsections (f) and (h) of this section. The amount to be reserved will be determined by the Agricultural Adjustment Administration in an amount not to exceed 5 percent of the State marketing quota, but such amount shall in no event be less than the amount necessary for making the adjustments required in subsection (f) below.

(b) The Agricultural Adjustment Administration will determine the percentage which the State quota is of the normal marketings of all old farms in the State.

(c) A minimum allotment will be made to every old farm in the State for which there would be obtained, by taking the percentage determined pursuant to (b) above of the normal marketings for the farm, a number of pounds equal to or less than the smallest of (i) 2400 pounds, or (ii) the farm's three-year average, or (iii) 85 percent of the farm's base 1938 production. The minimum allotment for any such farm will be the smallest of (i) 2400 pounds, or (ii) the farm's three-year average, or (iii) 85 percent of the farm's base 1938 production, and such allotment, unless increased pursuant to subsection (h) shall constitute the farm marketing quota.

(d) The total of the normal marketings for all farms to which minimum allotments are so made will be deducted from the total of the normal marketings for all old farms in the State; and the total of such minimum allotments will be deducted from the State marketing quota.

(e) After such deductions, the balance of the normal marketings will be reduced to the amount of the balance of the State marketing quota. This reduction will be made by reducing the normal marketings for all old farms, to which a minimum allotment has not been made pursuant to subsection (c), by the percentage which the balance of the State marketing quota determined pursuant to subsection (d) is of the balance of the normal marketings. The amount of the normal marketings for each such old farm as so reduced will be allotted to the farm, and, unless increased pursuant to subsections (f), (g), or (h) of this section, shall constitute the farm marketing quota.

(f) If the amount allotted to any farm pursuant to (e) above is less than the minimum allotment which would have been established for the farm pursuant to (c) above, then the amount so allotted shall be increased by an amount sufficient to provide such a minimum. The total of all such increases for all old farms in the State will be deducted from the amount reserved pursuant to (a) above.

(g) There will be computed for each old farm in the State the difference by which the amount allotted pursuant to the foregoing subsections is less than the smaller of (i) 80 percent of the farm's three-year average, or (ii) 85 percent of the base 1938 production. The total of all such differences for all old farms in the State will be reduced to an amount equal to 2 percent of the State marketing quota. This reduction will be made by reducing the difference for each farm by the percentage which 2 percent of the State marketing quota is of the total of the differences for all farms. The amount of the farm's difference as so reduced will be added to the farm's allotment and the sum thereof will be the amount of the farm marketing quota unless further increased pursuant to subsection (h) below.

(h) The amount reserved pursuant to subsection (a), less the amount deducted therefrom pursuant to subsection (f), will be allocated by the State committee among the counties of the State upon the basis of (i) the relationship of the balance of the normal marketings (found under (d) above) for old farms in the county to the balance of the normal marketings for old farms in all counties in the State, and (ii) the relative needs of the counties for adjustments of the quotas established for old farms therein. The amount so allocated to a county shall be allotted upon the recommendation of the local committee among those old farms in the county whose marketing quotas, as compared with the marketing quotas for other similar farms in the county, are determined by the local committee to require adjustment in order to take into adequate account past marketings of tobacco, making due allowance for abnormal weather conditions, plant bed and other diseases; land, labor, and equipment available for the production of tobacco; crop-rotation practices; and the soil and other physical factors affecting the production of tobacco.

PART III--ESTABLISHMENT OF QUOTAS FOR NEW FARMS

Section 1. Allotment of New Farm Reserve--Marketing Quotas for New Farms. The marketing quota for a new farm will be that percentage of the normal marketings for such farm which the new farm reserve is of total marketings for all new farms in the United States.

Sec. 2. Determination of Normal Marketings for New Farms. (a) The normal marketings for a new farm shall, unless adjusted pursuant to subsection (b) below, be 75 percent of the number of pounds obtained by multiplying the community average yield by whichever of the following is the smaller:

- (i) The 1938 tobacco acreage for the farm;
- (ii) The county average tobacco acreage for old farms.

The community average yield shall be the simple average of the farm yields for a representative sample of old farms in the community. A representative sample shall include 20 percent or more of the old farms in the community and shall consist, as far as practicable, of alternate farms (i.e., every third, fourth, or fifth farm listed on the State listing sheet) in the community. If the local committee and State committee find that the number of old farms in the community is too small to provide a reasonable representative sample, the average yield for the nearest community which the State committee finds to be most similar with respect to type of soil, topography, and productivity shall be used as the community average yield.

The county average tobacco acreage for old farms shall be the number of acres obtained by dividing the total of the 1938 tobacco acreage of all the old farms in the county by the number of such farms; provided, that if the number of old farms in any county is less than the number of new farms in the county, the county average tobacco acreage for old farms in such county shall be the county average tobacco acreage for old farms in the nearest county (as determined by the State committee) in which the total number of old farms exceeds the total number of new farms.

(b) The number of pounds determined for a farm pursuant to subsection (a) above shall be increased if the capacity of the farm for the production of tobacco as indicated by the land (taking into account the crop-rotation practices customarily carried out on the farm), labor, and equipment available for the production of tobacco on the farm in 1938, is substantially greater than the tobacco production capacity of other farms in the county for which a similar number of pounds were determined pursuant to said subsection (a), and shall be decreased if the farm's capacity for tobacco production is substantially less than that of other farms in the county for which a similar number of pounds were determined pursuant to said subsection.

Any adjustment pursuant to this subsection (b) shall be in such amount as the local committee finds will cause the normal marketings for the farm to reflect adequately the difference in the capacity of the farm for the production of tobacco as compared with the tobacco production capacity of other farms in the county for which a similar number of pounds were determined pursuant to subsection (a) above; provided that the adjustment shall in no event cause the normal marketings to exceed the number of pounds obtained by multiplying the community average yield by the 1938 tobacco acreage for the farm.

In appraising the land (taking into account the crop-rotation practices customarily carried out on the farm), labor, and equipment available for the production of tobacco for the purpose of determining the capacity of a farm for the production of tobacco, the local committee shall proceed in the same manner as provided in section 3(c) of Part II with respect to old farms.

[SEAL]

Done at Washington, D.C., this 5th day
of November, 1938. Witness my hand and
the seal of the Department of Agriculture.

Hawaller
Secretary.

INSTRUCTIONS IN CONNECTION WITH DARK TOBACCO QUOTA PROCEDURE

PART I. CALCULATION OF NORMAL MARKETINGS FOR OLD FARMS

A. Procedure for Obtaining Farm Data.

1. Form 33-Tobacco-35, "Sales Record Sheet", and Form 38-Tobacco-36, "Fire-Cured and Dark Air-Cured Data Sheet", will be prepared for each old farm in the county. This will be done in the county office by writing in on these forms in the appropriate spaces provided at the top of the forms the following information with respect to the farm for which the form is prepared: The State and county code and serial number; the name by which the farm is known in the community; the name of the community in which the farm is located, and the name and address of the 1938 operator of the farm. The measured 1938 acreage of tobacco for the farm will also be entered at this time, if available.

2. It will be necessary to contact the operator of each farm on which tobacco is produced in 1938 to obtain information necessary for the determination of the farm marketing quota. As a means of expediting the collection of the required data the local committees will fix times and places at which the data to be entered on Form 38-Tobacco-36 will be obtained. Each operator will be notified as to the time and place of the meeting and the information required, and a copy of Form 33-Tobacco-35, on which has been entered the identification data for the farm, will be transmitted with the notice, in order that the operator may fill in on that form prior to the meeting the necessary information regarding the past sales of tobacco. In this notice the operator's attention should be called to the necessity of bringing the "Sales Record Sheet" with him to the meeting and of bringing also all warehouse bills, farm accounts, and other records by which he expects to support the data entered on the "Sales Record Sheet" for the farm.

3. A committeeman, supervisor, or clerk will be available at the specified time and place who will receive from the operator the "Sales Record Sheet" with the information filled in and certified to by the operator. The representative of the local committee will carry with him to the meeting place the "Fire-Cured and Dark Air-Cured Data Sheet" for those farms for which he expects to obtain data at the meeting. He will also inspect the records offered in support of the data and will enter the county code or other identifying symbol (preferably in red or blue pencil) on each record so offered so as to indicate that the record has been presented in support of sales.

4. Entries on Data Sheet to be obtained from the operator.
The data entered in section I, section II, item 13 of section III (in cases where the measured acreage has not been previously entered), column J of section IV, and the year, nature, and extent of damage caused by abnormal weather conditions or diseases under item 26, will be obtained from the operator.

There will be entered in section I the name of the head of each family on the farm and the number of farm workers in the family. The total number of other farm workers and the number of additional persons employed for tobacco only will also be entered. Tobacco experience prior to 1938 will be indicated by entering "yes" or "no" opposite the name of the head of family and other farm workers. The tenure will be indicated by entering "O" for operator, "T" for share-tenant, "C" for sharecropper, and "W" for wagehand. A farm worker will be regarded as a person over 14 years of age regularly engaged in farm work on the farm.

There will be entered in section II the size and a description of each barn or other curing space used for curing tobacco on the farm and in condition for use in 1938, the number of such barns, and the total acreage capacity of the barns. The description should show whether the space is a barn, shed, room, barn loft, or other available space used for the curing of tobacco. The size of the barn or other space should be indicated by the approximate dimensions or other information indicating its capacity. In case the operator on one farm owns or operates another farm on which is located one or more tobacco barns used for curing tobacco grown on the first farm, such barns may be entered on the Data Sheet for both farms, but in indicating capacity for such barns allowance will be made for the fact that such barns serve more than one farm and the capacity allowed for any farm will not exceed the proportionate use of the barns by that farm and the capacity allowed for all farms will not exceed the total capacity of the barns.

The operator's estimate of the 1938 tobacco acreage for the farm will be entered in item 15 of section III if the measured acreage has not previously been entered.

The total amount of tobacco marketed from the farm in each of the years 1935, 1936, and 1937, will be entered in column J of section IV. This entry of total marketings will be the operator's estimate of such marketings unless warehouse bills or farm accounts are presented by the operator showing the total marketings for the year. If the operator submits warehouse bills or farm accounts covering a part or all of the tobacco marketed from the farm, such sales should be listed on the "Sales Record Sheet" which should be attached to the Data Sheet. If the total number of pounds marketed for any year is shown on the "Sales Record Sheet", the entry in column J for such year should be made in the county office after the total has been checked for accuracy. It is necessary that the pounds marketed as shown on each warehouse bill or farm account and entered on the "Sales Record Sheet" be carefully checked for accuracy at the time the operator is contacted. Any entries of pounds which are based upon questionable warehouse bills or farm accounts should be marked out and a check mark should be placed by each sale which is properly supported. The "Sales Record Sheet" should indicate clearly whether the sales listed are based upon warehouse bills or farm accounts.

If for any reason the total marketings as shown in column J were substantially affected by abnormal weather conditions or by plant bed or other diseases, the year of such damage and the nature and extent of the damage should be entered under item 26.

Upon completion of the entry of the data to be obtained from the operator, the signature of the operator or of his representative who furnished the data should be obtained in the space provided. The signature of the person obtaining the data should be affixed in the space provided for such signature.

If the operator of a farm fails to submit the information on the date specified, a visit to the farm should be made to obtain the necessary information.

B. Entries and Computations to be Made in County Office on Data Sheet.

1. Entries of data from county office records.

a. Crop acreages, Section III.

1938 tobacco acreage, item 13. The measured 1938 tobacco acreage will be entered in item 13 if such entry has not previously been made. In all cases the measured acreage, if available, should be entered prior to the computation of normal marketings even though the operator's statement of the 1938 tobacco acreage has also been obtained.

Other acreages, item 14. The acreage of cropland, together with the usual acreage of tobacco other than dark tobacco and the usual acreage of other soil-depleting crops, will be entered in item 14.

b. Section IV of Data Sheet.

Base acreage and harvested acreage. The base acreage and harvested acreage, respectively, for each of the years 1935, 1936, and 1937, as shown by the county office records, will be entered in columns B and C. If the county office records do not show the harvested acreage for any year, the acreage reported by the operator as having been harvested in such year, adjusted if necessary as provided in section 4(c) of Part II of the Dark Tobacco Quota Procedure, will be entered in column C.

Diverted acreage. The diverted acreage determined as provided in section 4(d) of Part II of the Dark Tobacco Quota Procedure, will be entered in column D.

Harvested and diverted acreage. The total of the harvested acreage (entries in column C) and the diverted acreage (entries in column D) for each of the years 1935, 1936, and 1937, will be entered in column E.

Sales supported by warehouse bills, farm accounts, and records of sale. Farm marketings for 1935, 1936, and 1937, as shown on the "Sales Record Sheet" for the farm, will be entered in column F, if supported by warehouse bills, and in column G if supported by farm accounts. The farm marketings for 1935 as shown by records of sale (carbon copies of 1935 tax payment warrants) and by copies of receipts for taxes paid under the Kerr Tobacco Act will be entered in column H.

Total reported marketings. The total marketings reported by the operator will be entered in column J. If the total marketings reported by the operator for any year are supported by warehouse bills or farm accounts and are entered on the "Sales Record Sheet", the entry for such year in column J will be made in the county office after the total has been checked for accuracy. In all other cases the entry should have been made at the time the farm operator is contacted.

2. Other entries and computations.

Adjusted total marketings. The total reported marketings for each year (as shown in column J) adjusted, if necessary, in accordance with section 4(b) of Part II of the Dark Tobacco Quota Procedure, will be entered in column K. In no case should the adjusted total marketings for any year (as shown in column K) exceed the total reported marketings for the year (as shown in column J). As an aid to the local committee in connection with the making of such adjustments, the yield per acre for each year before adjustment of the reported marketings will be computed by dividing the reported marketings for such year (as shown in column J) by the harvested acreage for such year (as shown in column C) and will be entered in column L.

Tabulation of acreage and production. A tabulation will be made on Form 38-Tobacco-32, "Summary of Acreage and Production" of the harvested acreage and total marketings, as adjusted by the committee for each of the years 1935, 1936, and 1937. The 1938 tobacco acreage (as shown in item 13) will also be tabulated. County totals of the acreage and marketings will be obtained for each year. The total marketings for each year should not exceed the tobacco production in the county for such year. In case adjustment of the tabulated marketings is necessary, the entry on Form 38-Tobacco-32 will be marked out and the adjusted marketings entered above. Such change will also be made in column K of the data sheet.

Yield per acre after adjustment. The yield per acre after adjustment of the total reported marketings for any year will be computed by dividing the adjusted total marketings (as shown in column K) by the harvested acreage for such year (as shown in column C) and will be entered in column M.

Average yield per acre - item 18. There will be entered in item 18 the average yield per acre for the farm determined as provided in section 4(a) of Part II of the Dark Tobacco Quota Procedure.

Farm Yield per acre - item 19. The farm yield shall be the average yield per acre (item 18) adjusted, if necessary, by the local committee in accordance with the provisions of section 4(a), (v), of Part II of the Dark Tobacco Quota Procedure. The weighted farm yields for all farms in the county cannot exceed the weighted average yields per acre for all farms in the county. This will be determined for each county by making the appropriate entries for farms for which the yield is increased or decreased on Form 38-Tobacco-32.

Total pounds diversion - item 20. There will be entered as item 20 the number of pounds obtained by multiplying the farm yield (item 19) by the total diverted acreage (the total of the entries in column D, section IV).

Total marketings 3 years - item 21. There will be entered as item 21 the total number of pounds entered in column K.

Total marketings plus diversion - item 22. There will be entered as item 22 the total number of pounds entered as item 21, plus the total number of pounds entered as item 20.

Average marketings and diversion - item 23. There will be entered as item 23 the number of pounds obtained by taking $33\frac{1}{3}$ percent of the number of pounds entered as item 22.

Largest acreage times yield - item 24. There will be entered as item 24 the number of pounds obtained by multiplying the farm yield by whichever of the following acreages is the largest:

- (a) $33\frac{1}{3}$ percent of the total harvested and diverted tobacco acreage in the three years 1935-37 (the total of the entries in column E, section IV)
- (b) 40 percent of the total harvested and diverted tobacco acreage in the two of the three years 1935-37 in which such acreage was the highest (the two highest entries in column E)
- (c) 60 percent of the harvested and diverted tobacco acreage in the one year of the three years 1935-37 in which such acreage was the highest (the highest entry in column E)

Larger of item 23 or item 24 - item 25. There will be entered as item 25 the larger of item 23 or item 24.

Adjustment for abnormal conditions - item 26. There will be entered as item 26 the amount of any adjustment made in accordance with the provisions of section 2(c) of Part II of the Dark Tobacco Quota Procedure. The basis of any adjustment must be indicated in the space provided for such purpose and the amount of any such adjustment is

subject to approval by the State committee. The amount of adjustment should take into account the effect of the damage upon the number of pounds which otherwise would have been determined for the farm in item 25. The amount of adjustment will be tabulated on Form 38-Tobacco-32.

Normal Past Marketings - item 27. There will be entered as item 27 the sum of the entries in item 25 and item 26.

Land, labor, equipment, and crop-rotation practices - item 28. There will be entered as item 28 the amount of any increase or decrease made in accordance with section 3 of Part II of the Dark Tobacco Quota Procedure. The increases and decreases will be listed and totaled on Form 38-Tobacco-32. The sum of the increases cannot exceed the sum of the decreases in the county.

Normal past marketings as adjusted - item 29. There shall be entered as item 29 the normal past marketings for the farm (item 27) plus any increase or minus any decrease shown in item 28.

Base 1938 production - item 30. There will be entered as item 30 the number of pounds obtained by multiplying 150 percent of the 1938 tobacco acreage (as shown in section III) by the farm yield (item 19). There will be computed and entered in the space under the words "farm yield" 85 percent of the base 1938 production (item 30).

Normal marketings - item 31. There will be entered as item 31 the smaller of item 29 or item 30.

1938 farm quota - item 32. The 1938 farm marketing quota computed in accordance with section 5 of part II of the Dark Tobacco Quota Procedure will be entered as item 32.

1934 farms. In the case of old farms on which tobacco was produced in 1934 but not in 1935, 1936, or 1937, the above instructions will be followed except as provided in this paragraph. For such cases the entry "1935" in item 15, column A of Section IV will be marked out and "1934" inserted in lieu thereof. The data for the farm for 1934 will be entered as provided for the entry of data with respect to 1935, 1936, and 1937 for farms on which tobacco was produced in one or more of such years. The county average yield for the three years 1935-1937 will be entered in item 18 as the average yield per acre as provided in section 4(a) (IV) of Part II of the Dark Tobacco Quota Procedure. No entries for such farms will be made in items 20-24, inclusive. The entry in item 25 will be the farm yield per acre (item 19) multiplied by 50 percent of the 1934 harvested acreage for the farm as provided in section 2(b) of Part II of the Dark Tobacco Quota Procedure.

PART II. CALCULATION OF NORMAL MARKETINGS FOR NEW FARMS

Procedure for obtaining farm data. The procedure indicated for old farms in section A of Part I of these instructions will be followed in the collection and entry of data required for the determination of

normal marketings for new farms, except that Form 38-Tobacco-35 will not be required and Form 38-Tobacco-37, Data Sheet for New Farms, will be used instead of Form 38-Tobacco-36.

1938 acreage times community yield - item 15. There will be entered in item 15 the 1938 acreage for the farm times the community yield determined as provided in section 2(a) of Part III of the Dark Tobacco Quota Procedure.

75 percent of item 15 - item 16. There will be entered as item 16 seventy-five percent of the entry in item 15, except that if the 1938 tobacco acreage exceeds the county average tobacco acreage for old farms determined, as provided in section 2(a) of Part III of the Dark Tobacco Quota Procedure, enter seventy-five percent of such county average acreage times the community yield.

Land, labor, equipment, and crop-rotation practices - item 17. There will be entered as item 17 the amount of any increase or decrease made in accordance with section 2(b) of Part III of the Dark Tobacco Quota Procedure.

Item 18. There will be entered as item 18 the entry in item 16 plus any increase or minus any decrease shown in item 17.

Normal marketings - item 19. There will be entered as item 19 the smaller of item 15 or item 18.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
TOBACCO SECTION

PROCEDURE FOR THE DETERMINATION OF FIRE-CURED
AND DARK AIR-CURED TOBACCO FARM MARKETING
QUOTAS FOR 1938

PART I—GENERAL

Section 1. **Definition.**—As used in this procedure and in all instructions, forms, and documents in connection therewith, the words and phrases defined in this section shall have the meanings herein assigned to them, unless the context or subject-matter otherwise requires:

(a) **ACT** means the Agricultural Adjustment Act of 1938 and any amendments thereto.

(b) **BASE 1938 PRODUCTION** means the number of pounds obtained by multiplying the farm yield by 200 percent of the 1938 tobacco acreage.

(c) **FIRE-CURED and DARK AIR-CURED TOBACCO** means tobacco classified in Service and Regulatory Announcement Numbered 118 of the Bureau of Agricultural Economics of the United States Department of Agriculture, as types 21, 22, 23, 24, 35, 36, and 37.

(d) **DARK TOBACCO QUOTA PROCEDURE** means this Form 38—Tobacco—38, "Procedure for the Determination of Fire-Cured and Dark Air-Cured Tobacco Farm Marketing Quotas for 1938."

(e) **CROPLAND** means farm land tilled annually or in regular rotation, excluding commercial orchards.

(f) **FARM** means all adjacent or nearby farm land under the same ownership which is operated by one person, including also:

(i) Any other adjacent or nearby farm land operated by the same person (as part of the same unit with respect to the rotation of crops and with workstock, farm machinery, and labor substantially separate from that for any other land) the inclusion of which is requested or agreed to, within the time and in the manner specified by the Agricultural Adjustment Administration, by the operator and all the owners who are entitled to share in the proceeds of the crop on any of the land to be included in the farm, which request and agreement shall be applicable to the designation of the land included in such farm both under the 1938 Agricultural Conservation Program and under the Dark Tobacco Quota Procedure;

(ii) Any field-rented tract (whether operated by the same or another person) which, together with any other land included in the farm, constitutes a unit with respect to the rotation of crops; *Provided*, That land not under the same ownership shall be included in the same farm only if the county committee determines that all of such land is customarily regarded in the

JAN 20 1939

community as constituting one farm. A farm shall be regarded as located in the county or the local administrative area within the county, as the case may be, in which the principal dwelling is situated, or if there is no dwelling thereon, it shall be regarded as located in the county or local administrative area, as the case may be, in which the major portion of the farm is located.

(g) **FARM MARKETING QUOTA** means a fire-cured and dark air-cured tobacco marketing quota established for a farm under section 313 of the Agricultural Adjustment Act of 1938.

(h) **FARM WORKER** means a person over fourteen years of age regularly engaged in farm work on the farm.

(i) **LOCAL COMMITTEE** means the county and community committee utilized under the Act. "County Committee" or "Community Committee" shall have corresponding meanings in the connection in which they are used.

(j) **NEW FARM** means a farm on which tobacco is produced in the year 1938 and on which tobacco was not produced in any of the years 1934, 1935, 1936, and 1937.

(k) **NEW FARM RESERVE** means that amount of the national marketing quota of 145,000,000 pounds apportioned by the Secretary of Agriculture, pursuant to section 313 (c) of the Act, for allotment of marketing quotas to new farms.

(l) **OLD FARM** means a farm on which tobacco is produced in the year 1938 and on which tobacco was also produced in one or more of the years 1934, 1935, 1936, and 1937.

(m) **OPERATOR** means the person who, as owner, landlord, or tenant, is in charge of the supervision and the conduct of the farming operations on the entire farm.

(n) **PERSON** means an individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or any agency of a State or of the Federal Government. The term "person" shall include two or more persons having a joint or common interest.

(o) **STATE COMMITTEE** means the group of persons designated within any State to assist in the administration in the State of the Act.

(p) **STATE QUOTA** or **STATE MARKETING QUOTA** means that amount of the national marketing quota of 145,000,000 pounds apportioned by the Secretary of Agriculture, pursuant to section 313 (a) of the Act, for allotment of marketing quotas to old farms in the State; and does not include the 2 percent addition thereto pursuant to section 313 (f) of the Act.

(q) **THREE YEAR AVERAGE** means the average tobacco production and diversion for the farm during the years 1935, 1936, and 1937.

(r) **TOBACCO** means fire-cured and dark air-cured tobacco.

(s) **DARK TOBACCO** means fire-cured and dark air-cured tobacco.

Sec. 2. Gender and Number of Terms.—Any term used in the masculine gender or in the singular number shall also be construed or applied in the feminine or neuter gender, or in the plural person, wherever the context or application of such term so requires.

Sec. 3. Extent of Calculations and Rule of Fractions.—(a) All percentages shall be calculated to the nearest whole percent. Fractions of more than five-tenths of one percent shall be rounded upward, and fractions of five-tenths of one percent or less shall be dropped.

(b) All acreages shall be calculated to the nearest one-tenth of an acre. Fractions of more than five-hundredths of an acre shall be rounded upward, and fractions of five-hundredths of an acre or less shall be dropped. (c) Yields per acre, three-year averages, and marketing figures resulting from multiplication of acreage by farm yield shall be calculated to the nearest ten pounds. Between intervals of ten, amounts of more than five pounds shall be rounded upward, and amounts of five pounds or less shall be dropped.

Sec. 4. Instructions and Forms.—The Administrator of the Agricultural Adjustment Administration of the United States Department of Agriculture shall cause to be prepared and issued with his approval such instructions and such forms as may be necessary or expedient for carrying out this procedure for determining farm quotas.

Sec. 5. Applicability of Procedure.—This Dark Tobacco Quota Procedure shall relate to and be effective for, the establishment of farm marketing quotas for fire-cured and dark air-cured tobacco for the marketing year beginning with the first day of October, 1938, and ending with the 30th day of September, 1939.

PART II—ESTABLISHMENT OF QUOTAS FOR OLD FARMS

Section 1. Determination of Normal Marketings for Old Farms.—The normal marketings for an old farm will be the normal past marketings computed pursuant to section 2 below, adjusted, if necessary, pursuant to section 3 below; *provided*, that the normal marketings shall in no event exceed the base 1938 production for the farm.

Sec. 2. Determination of Normal Past Marketings.—(a) The normal past marketings for an old farm on which tobacco was produced in one of the three years 1935–37, shall be whichever of items (i), (ii), (iii) or (iv) below is the highest for the farm, plus any addition thereto which may be made pursuant to subsection (c) below.

(i) The three-year average;

(ii) $33\frac{1}{3}\%$ of the total harvested and diverted tobacco acreage in the three years, 1935–37, multiplied by the farm yield;

(iii) 40% of the total harvested and diverted tobacco acreage in the two years of the three years, 1935–37, in which such acreage was the highest, multiplied by the farm yield;

(iv) 60% of the harvested and diverted tobacco acreage in that one of the three years, 1935–37, in which such acreage was the highest, multiplied by the farm yield.

(b) The normal past marketings for an old farm on which tobacco was produced in 1934, but was not produced in any of the three years 1935–37, shall be 50% of the harvested and diverted tobacco acreage for the farm for the year 1934, multiplied by the farm yield plus any addition thereto which may be made pursuant to subsection (c) below.

(c) The amount determined for the farm, pursuant to subsection (a) or (b) above, shall be increased, if, because of drought, flood, hail, other abnormal weather conditions, plant bed and other diseases, such amount is substantially less than the amount which otherwise would

be determined for the farm. The increase shall be in such an amount as the local and State committees find will cause the normal past marketing for the farm to equal the amount which would have been determined for the farm pursuant to subsection (a) or (b) above in the absence of such abnormal conditions of production.

Sec. 3. Adjustment of Normal Past Marketings for Production Capacity.—(a) The normal past marketings determined for any farm shall be increased if the capacity of the farm for the production of tobacco as indicated by the land (taking into account the crop-rotation practices customarily carried out on the farm), labor, and equipment available for the production of tobacco on the farm in 1938, is substantially greater than the tobacco production capacity of other farms in the county having similar normal past marketings, and shall be decreased if the farm's capacity for tobacco production is substantially less than that of other farms in the county having similar normal past marketings.

(b) Any increase or decrease in the normal past marketings of a farm, pursuant to subsection (a) above, shall be in such amount as the local committee finds will cause the normal marketings for the farm (i. e., normal past marketings, as adjusted pursuant to this subsection) to reflect adequately the difference in the capacity of the farm for the production of tobacco as compared with the tobacco production capacity of other farms in the county having similar normal past marketings; *provided*, that—

(i) The amount of increase shall not exceed 25 percent of the normal past marketings;

(ii) The amount of decrease shall not exceed the smaller of (A) 25 percent of the normal past marketings, or (B) the amount by which the normal past marketings exceeds the smallest of the three-year average, 2,400 pounds, or 63.75 percent of the base 1938 production; and

(iii) The sum of the increases for all farms in a county shall not exceed the sum of the decreases for all farms in the county.

(c) In appraising the land (taking into account the crop-rotation practices customarily carried out on the farm), labor, and equipment available for the production of tobacco for the purpose of determining the capacity of a farm for the production of tobacco, the local committee shall proceed in the following manner:

(i) **Land.**—The land available for the production of tobacco on the farm shall be determined by taking into consideration the total acreage of cropland in the farm, the crop-rotation practices customarily carried out on the farm, the 1938 acreage of tobacco on the farm, and the acreage of other soil-depleting crops normally grown on the farm.

(ii) **Labor.**—The labor available for the production of tobacco on the farm in 1938 shall be determined by taking into consideration the number of farm workers, whether such workers had prior experience in growing tobacco and the extent to which they are required for work on the farm other than in connection with the production of tobacco.

(iii) **Equipment.**—Equipment available for the production of tobacco on the farm shall be determined by taking into consider-

ation the acreage capacity of the tobacco-curing space available for the farm in 1938. Curing space shall include the total space available for curing tobacco in tobacco curing barns or in sheds, rooms, barn lofts, or other spaces suitable for curing tobacco, which are located on the farm and are in condition and available for the curing of tobacco for the farm in 1938. Curing space shall also include that part of a tobacco curing barn which is in condition for curing use in 1938 but is located on a different farm which is owned or operated by the same operator, and which is customarily used for curing tobacco grown on the farm; but in considering any such barn allowance shall be made for the fact that such barn serves more than one farm, and the capacity allowed for any farm shall not exceed the proportionate use of such barn by the farm, and the capacity for all farms shall not exceed the total capacity of such barn.

Sec. 4. Determination of Farm Yield, Marketings, Harvested Acreage, Diverted Acreage and Diversion.

(a) **Farm Yield.**—The farm yield shall be the average yield per acre for the farm computed pursuant to paragraph (i), (ii), (iii) or (iv) below, adjusted, if necessary, pursuant to paragraph (v) below.

(i) If tobacco was produced on the farm in each of the three years, 1935–37, the average yield per acre shall be the simple average of the tobacco yields per acre for the farm for each of such years. The tobacco yield per acre for a farm for any year shall be computed by dividing the harvested acreage into the the marketings for such year.

(ii) If tobacco was produced on the farm in two of the three years, 1935–37, the average yield per acre shall be the number of pounds obtained by multiplying the simple average of the tobacco yields per acre for the farm for each of such two years by that percentage which the county average tobacco yield for the three years, 1935–37, is of the county average yield for the two years in which tobacco was produced on the farm.

(iii) If tobacco was produced on the farm in only one of the three years, 1935–37, the average yield per acre shall be the number of pounds obtained by multiplying the tobacco yield per acre for such year by that percentage which the county average yield for the three years, 1935–37, is of the county average yield for the year in which tobacco was produced on the farm.

(iv) If tobacco was produced on the farm in 1934, but not in any of the three years, 1935–37, the average yield per acre shall be the county average yield for the three years 1935–37.

(v) The local committee shall adjust the average yield per acre for any farm if it determines that such average yield is substantially lower or higher than a yield which reasonably could be expected from the farm. In making its determination the committee shall take into consideration the average yields per acre for other farms in the county which are similar with respect to type of soil, topography and production facilities and the effect of flood, drought, hail, other abnormal weather conditions, fire, plant-bed, and other diseases upon the extent of

marketing of tobacco from the farm during any of the years used in computing the average yield per acre for the farm. Any adjustment pursuant to this paragraph shall be such as will result in a farm yield which the committee finds, upon consideration of such factors, could reasonably be expected to be obtained from the farm; *provided*, that in no event shall the weighted farm yields for all farms in the county exceed the weighted average yield per acre for all farms in the county. The weighted farm yield and the weighted average yield per acre for old farms on which tobacco was produced in one or more of the three years, 1935-37, shall be computed by multiplying the farm yield and the average yield per acre for the farm, respectively, by whichever of the following is the highest for the farm:

A. $33\frac{1}{3}$ percent of the total harvested and diverted tobacco acreage in the three years 1935-37.

B. 40 percent of the total harvested and diverted tobacco acreage in the two of the three years 1935-37 in which such acreage was the highest, or

C. 60 percent of the harvested and diverted tobacco acreage in that one of the three years, 1935-37, in which such acreage was the highest.

The weighted farm yield and the weighted average yield per acre for old farms on which tobacco was produced in 1934 but not in any of the three years, 1935-37, shall be computed by multiplying the farm yield and the average yield per acre for the farm, respectively, by 50 percent of the harvested and diverted acreage of tobacco for the farm for the year 1934.

(b) **Marketings.**—The marketings for any year shall be the number of pounds of tobacco marketed from the farm during such year. The total marketings for any year for all farms in a county shall not exceed the total number of pounds of tobacco produced in the county in such year. The marketings for any year, as reported by the operator, shall be adjusted by the local committee if it determines that the amount of such marketings as shown by the records submitted by the operator, or as estimated by him, is larger than the amount of tobacco which reasonably could have been marketed from the farm in such year. In making its determination, the committee shall take into consideration the acreage planted to tobacco on the farm in such year, the yields obtained in such year on other farms in the same community which are similar with respect to soil, topography, and production facilities, the community average yield for such year, and the yield on the farm in years for which records acceptable to the committee are available. The adjusted marketings for any year shall be the amount of tobacco which the committee finds, upon consideration of such factors, could reasonably have been marketed from the farm in such year.

(c) **Harvested Acreage.**—The harvested acreage for any year shall be the number of acres actually harvested on the farm. If the county records do not show the harvested acreage for any year, the acreage reported by the operator as having been harvested in such year shall be adjusted if the local committee determines that such

reported acreage is larger than the number of acres which could reasonably have been grown in such year. In making its determination, the committee shall take into consideration the curing space available, the cropland, the acres of other crops grown on the farm and the labor on the farm in such year. The adjusted harvested acreage for any year shall be an acreage which the committee finds, upon consideration of such factors, could reasonably have been grown on the farm in such year.

(d) **Diverted Acreage.**—The diverted acreage for any year will be the base acreage determined for the farm in connection with the agricultural adjustment or conservation program for such year, minus the harvested acreage for such year; *provided*, that (i) the diverted acreage for 1935 shall not exceed 20 percent of the base acreage for such year, (ii) the diverted acreage for 1936 or 1937 shall not exceed 30 percent of the base acreage for such year, and (iii) the diverted acreage for 1934 shall not exceed 25 percent of the base acreage for such year.

(e) **Diversion.**—Diversion for any year shall be the number of pounds obtained by multiplying the diverted acreage for such year by the farm yield.

(f) **Subdivided Farm.**—If land operated as a single farm in 1934, 1935, 1936, or 1937 has been subdivided into two or more tracts, the base acreage, harvested acreage, and marketings of tobacco for the farm for such year shall be apportioned among the tracts in the proportion which the acres of cropland suitable for the production of tobacco on each such tract in such year bore to the total number of acres of cropland suitable for the production of tobacco on the entire farm in such year; *provided*, that if the local committee finds that such apportionment would not be equitable in view of the subsequent production on the farms which include such tracts, it shall make such other apportionment as it determines to be fair and equitable.

Sec. 5. Allotment of State Marketing Quota—Marketing Quotas for Old Farms.—The State marketing quota will be allotted, and marketing quotas for old farms will be established, as follows:

(a) An amount will be reserved from the State marketing quota for the purpose of making adjustments as provided in subsections (f) and (h) of this section. The amount to be reserved will be determined by the Agricultural Adjustment Administration in an amount not to exceed 5 percent of the State marketing quota, but such amount shall in no event be less than the amount necessary for making the adjustments required in subsection (f) below.

(b) The Agricultural Adjustment Administration will determine the percentage which the State quota is of the normal marketings of all old farms in the State.

(c) A minimum allotment will be made to every old farm in the State for which there would be obtained, by taking the percentage determined pursuant to (b) above of the normal marketings for the farm, a number of pounds equal to or less than the smallest of (i) 2,400 pounds, or (ii) the farm's three-year average, or (iii) 63.75 percent of the farm's base 1938 production. The minimum allotment for any such farm will be the smallest of (i) 2,400 pounds, or (ii) the farm's three-year average, or (iii) 63.75 percent of the farm's base 1938 production, and such allotment, unless increased pursuant to subsection (h) shall constitute the farm marketing quota.

(d) The total of the normal marketings for all farms to which minimum allotments are so made will be deducted from the total of the normal marketings for all old farms in the State; and the total of such minimum allotments will be deducted from the State marketing quota.

(e) After such deductions, the balance of the normal marketings will be reduced to the amount of the balance of the State marketing quota. This reduction will be made by reducing the normal marketings for all old farms, to which a minimum allotment has not been made pursuant to subsection (c), by the percentage which the balance of the State marketing quota determined pursuant to subsection (d) is of the balance of the normal marketings. The amount of the normal marketings for each such old farm as so reduced will be allotted to the farm, and, unless increased pursuant to subsections (f), (g), or (h) of this section, shall constitute the farm marketing quota.

(f) If the amount allotted to any farm pursuant to (e) above is less than the minimum allotment which would have been established for the farm pursuant to (c) above, then the amount so allotted shall be increased by an amount sufficient to provide such a minimum. The total of all such increases for all old farms in the State will be deducted from the amount reserved pursuant to (a) above.

(g) There will be computed for each old farm in the State the difference by which the amount allotted pursuant to the foregoing subsections is less than the smaller of (i) 80 percent of the farm's three-year average, or (ii) 63.75 percent of the base 1938 production. The total of all such differences for all old farms in the State will be reduced to an amount equal to 2 percent of the State marketing quota. This reduction will be made by reducing the difference for each farm by the percentage which 2 percent of the State marketing quota is of the total of the differences for all farms. The amount of the farm's difference as so reduced will be added to the farm's allotment and the sum thereof will be the amount of the farm marketing quota unless further increased pursuant to subsection (h) below.

(h) The amount reserved pursuant to subsection (a), less the amount deducted therefrom pursuant to subsection (f), will be allocated by the State committee among the counties of the State upon the basis of (i) the relationship of the balance of the normal marketings (found under (d) above) for old farms in the county to the balance of the normal marketings for old farms in all counties in the State, and (ii) the relative needs of the counties for adjustments of the quotas established for old farms therein. The amount so allocated to a county shall be allotted upon the recommendation of the local committee among those old farms in the county whose marketing quotas, as compared with the marketing quotas for other similar farms in the county, are determined by the local committee to require adjustment in order to take into adequate account past marketings of tobacco, making due allowance for abnormal weather conditions, plant bed and other diseases; land, labor, and equipment available for the production of tobacco; crop-rotation practices; and the soil and other physical factors affecting the production of tobacco.

PART III—ESTABLISHMENT OF QUOTAS FOR NEW FARMS

Section 1. Allotment of New Farm Reserve—Marketing Quotas for New Farms.—The marketing quota for a new farm will be that percentage of the normal marketing for such farm which the new

farm reserve is of total normal marketings for all new farms in the United States.

Sec. 2. Determination of Normal Marketings for New Farms.—

(a) The normal marketings for a new farm shall, unless adjusted pursuant to subsection (b) below, be 75 percent of the number of pounds obtained by multiplying the community average yield by whichever of the following is the smaller:

- (i) The 1938 tobacco acreage for the farm;
- (ii) The county average tobacco acreage for old farms.

The community average yield shall be the simple average of the farm yields for a representative sample of old farms in the community. A representative sample shall include 20 percent or more of the old farms in the community and shall consist, as far as practicable, of alternate farms (i. e., every third, fourth, or fifth farm listed on the State listing sheet) in the community. If the local committee and State committee find that the number of old farms in the community is too small to provide a reasonable representative sample, the average yield for the nearest community which the State committee finds to be most similar with respect to type of soil, topography, and productivity shall be used as the community average yield.

The county average tobacco acreage for old farms shall be the number of acres obtained by dividing the total of the 1938 tobacco acreage of all the old farms in the county by the number of such farms; provided, that if the number of old farms in any county is less than the number of new farms in the county, the county average tobacco acreage for old farms in such county shall be the county average tobacco acreage for old farms in the nearest county (as determined by the State committee) in which the total number of old farms exceeds the total number of new farms.

(b) The number of pounds determined for a farm pursuant to subsection (a) above shall be increased if the capacity of the farm for the production of tobacco as indicated by the land (taking into account the crop-rotation practices customarily carried out on the farm), labor, and equipment available for the production of tobacco on the farm in 1938, is substantially greater than the tobacco production capacity of other farms in the county for which a similar number of pounds were determined pursuant to said subsection (a), and shall be decreased if the farm's capacity for tobacco production is substantially less than that of other farms in the county for which a similar number of pounds were determined pursuant to said subsection.

Any adjustment pursuant to this subsection (b) shall be in such amount as the local committee finds will cause the normal marketings for the farm to reflect adequately the difference in the capacity of the farm for the production of tobacco as compared with the tobacco production capacity of other farms in the county for which a similar number of pounds were determined pursuant to subsection (a) above; provided that the adjustment shall in no event cause the normal marketings to exceed the number of pounds obtained by multiplying the community average yield by the 1938 tobacco acreage for the farm.

In appraising the land (taking into account the crop-rotation practices customarily carried out on the farm), labor, and equipment available for the production of tobacco for the purpose of determining the capacity of a farm for the production of tobacco, the local committee shall proceed in the same manner as provided in section 3 (c) of Part II with respect to old farms.

Done at Washington, D. C., this 5th¹ day of November, 1938. Witness my hand and the seal of the Department of Agriculture.



H. A. WALLACE,
Secretary of Agriculture.

¹ Supplement 1, signed by the Secretary of Agriculture December 3, 1938, is incorporated in this procedure.

